

COASTAL CONSERVANCY

Staff Recommendation

February 2, 2017

LOS CERRITOS WETLANDS: CONCEPTUAL RESTORATION PLAN ENVIRONMENTAL REVIEW

Project No. 98-015-07

Project Manager: Deborah Ruddock

RECOMMENDED ACTION: Authorization to disburse up to \$500,000 to the Los Cerritos Wetlands Authority for technical studies for and environmental review of the Los Cerritos Wetlands Conceptual Restoration Plan, located in the City of Long Beach, Los Angeles County, and the City of Seal Beach, Orange County.

LOCATION: The City of Long Beach, Los Angeles County, and the City of Seal Beach, Orange County

PROGRAM CATEGORY: Integrated Coastal and Marine Resource Protection

EXHIBITS

Exhibit 1: [Location and Site Maps](#)

Exhibit 2: [Photos](#)

Exhibit 3: [Project Letters](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31111 and 31220 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed five hundred thousand dollars (\$500,000) to the Los Cerritos Wetlands Authority (“LCWA”) for technical studies for and environmental review of the Los Cerritos Wetlands Conceptual Restoration Plan subject to the condition that, prior to the disbursement of funds, the LCWA shall submit for the review and approval of the Conservancy’s Executive Officer a work plan (including a schedule and detailed budget) and the names and qualifications of any contractors employed for this purpose.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the Conservancy's current Project Selection Criteria and Guidelines.
 2. The proposed authorization is consistent with the purposes and objectives of Sections 31111 regarding studies and 31220 (Chapter 5.5 of Division 21) of the Public Resources Code, regarding integrated coastal and marine resource protection."
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PROJECT SUMMARY:

Staff recommends that the Conservancy provide funds to the Los Cerritos Wetlands Authority ("LCWA") to complete technical studies for and environmental review of the Los Cerritos Wetlands Conceptual Restoration Plan ("Plan"). The Los Cerritos Wetlands is a 500-acre mosaic of public and privately owned properties, land uses and resources located along Pacific Coast Highway, the lower reach of the San Gabriel River, and the Los Angeles-Orange Counties' borders (Exhibits 1 and 2).

The LCWA is a joint powers agency organized in 2006 to develop a comprehensive program of acquisition, protection, restoration and management at the Los Cerritos Wetlands. The LCWA has four members including the Conservancy, the Los Angeles and San Gabriel Rivers and Mountains Conservancy ("RMC"), and the cities of Long Beach and Seal Beach.

Prior to 2012, various agencies and organizations prepared a number of studies and partial restoration plans for portions of the wetlands, but none of those plans offered a comprehensive strategy for restoration of the entire wetland area. In 2012, with \$500,000 in grant funds, \$250,000 from the Conservancy matched by \$250,000 from the RMC, the LCWA initiated restoration planning. Adopted in August 2015 by the LCWA, the Plan covers the entire 500 acres of wetlands, including all of the LCWA-owned properties and adjacent public and private properties. The Plan describes existing habitats, sensitive species, wildlife corridors, archeological resources, hydrology, hydraulics, sediment characterization, sea level rise impacts, regulatory mandates, permitting requirements, public access and interpretative opportunities at Los Cerritos Wetlands.

The Plan's restoration goals are to:

- Restore wetland processes and functions;
- Maximize contiguous wetland areas and minimize the edge between wetlands and sources of disturbance;
- Restore the wetlands as habitat for resident bird species and migratory birds along the Pacific Flyway;
- Insure the long-term viability and sustainability of the project in the face of such threats as urbanization and climate change;
- Create a public access and interpretive program that will insure a memorable visitor experience; and
- Implement a program that will be practical and economically feasible.

Four years of conceptual restoration planning and stakeholder engagement led to the development of three restoration alternatives for Los Cerritos Wetlands distinguished by the degree of landscape alteration involved. The Plan's three alternatives are:

Alternative 1 – Minimum Alteration – This alternative largely retains the existing site conditions and character to the greatest extent, while expanding areas of tidal influence. Tides are introduced to the sites by improving existing tidal connections and providing new ones where needed. Oil infrastructure remains largely unchanged. Culverts are used nearly everywhere to convey tides, and only minimal topographic changes are made to enable water to penetrate into the sites as far as possible. Large areas of upland habitat remain unaltered.

Alternative 2 – Moderate Alteration – This alternative largely reconfigures the sites with new channel networks on parcels north of the San Gabriel River, and retains existing channel networks on sites south of the San Gabriel River. Overall, this alternative emphasizes mid- and high marsh, and transitional habitats. Areas north of the San Gabriel River are lowered to provide low tidal wetland habitats, while areas south of the San Gabriel River remain relatively high with more mid- and high marsh, and supra-tidal habitats.

Open channels convey tides everywhere, except at the site referred to as the Isthmus Area. Oil operations are consolidated on all areas except the Isthmus Area. The majority of existing upland habitat areas remain unaltered.

Alternative 3 – Maximum Alteration – This alternative reconfigures the sites with new channel networks at all areas. Overall, this alternative emphasizes subtidal, low, and mid-marsh. Smaller areas of transitional and upland habitat remain. Large portions of each area are lowered in elevation to provide low tidal wetland habitats. Open channels convey tides everywhere except at the Isthmus Area. Oil production and exploration infrastructure is consolidated on all areas.

The Plan presents the preliminary designs and phasing of alternatives. The Plan analyzes the alternatives' habitats, public accessibility, tidal hydrology, likely construction scenarios, maintenance requirements and construction costs. The Plan does not prefer any of the alternatives.

Following the Plan adoption, the LCWA staff applied to the Conservancy for a Proposition 1 grant to complete technical studies for and environmental review of the three restoration alternatives. The studies will include a monitoring and evaluation component.

The proposed project is supported by Los Cerritos Wetlands Land Trust, Los Cerritos Wetlands Stewardship Inc., and the El Dorado and Sea and Sage chapters of Audubon (Exhibit 3).

Site Description: The Los Cerritos Wetlands Complex adjoins the lower reach of the San Gabriel River where, prior to channelization, the mouth of the river migrated back and forth across the coastal plain. Historically, the complex covered as many as 2,400 acres and stretched two miles inland, ranging from freshwater and brackish wetlands in its inland areas to salt marsh closer to the ocean. Before the river was channelized, the complex included freshwater and brackish wetlands whose size and configuration fluctuated in response to the migration of the river channel across the coastal plain. An aerial photo taken in 1927 depicts more than 1,500 acres of wetlands bordering Alamitos Bay. Today, only about 500 acres of the original site

remain undeveloped, and remnants of the historic wetlands occur in about 200 acres of degraded patches.

Most of the historic wetlands have been filled, lost or degraded, primarily because of oil extraction, channelization of the San Gabriel River, and construction of a cooling channel for nearby power plants. Portions have been used as land fill or burn dump areas, while others have been reduced in size by commercial and residential development. Oil was discovered on the Hellman and Bixby ranches in the early 1900s, and many Los Cerritos properties have been used for oil production since the 1920's. Channelization of the San Gabriel River began in the 1930s and cut off tidal action to much of the wetland area.

The urbanization of Long Beach upstream of Alamitos Bay grew by increments and annexations, especially during and right after World War II. To drain the area for development, the Los Angeles County Flood Control District constructed a network of small and large flood control channels (including Los Cerritos Channel) across an area totaling 20 square miles. Two huge thermal electric power plants (now operated by AES and the Los Angeles City Department of Water and Power) above the wetlands draw water from Los Cerritos Channel, use it for cooling purposes, and discharge over 22 million gallons per minute back into the San Gabriel River at highly elevated temperatures, overwhelming the natural tidal conditions of the system.

Even though the complex has been dramatically altered and is surrounded by urban development, the Los Cerritos Wetlands provide regionally-significant wildlife habitat. The site is a feeding ground for local and migratory shore birds and a nesting site of special status species such as Belding's savannah sparrow, California least tern, loggerhead shrike, western snowy plover, peregrine falcon, burrowing owl, northern harrier, osprey, and California brown pelican. As many as 120 bird species have been recorded using the area, including 48 different species of water birds. Portions of the wetlands provide important spawning areas and food sources for intertidal and marine aquatic species, including habitat for depleted Southern California commercial fisheries. A variety of rare plant species listed by the California Native Plant Society and numerous salt marsh species inhabit its tidally-influenced drainages and disturbed wetland areas.

Project History: For nearly thirty years, public agencies and environmental organizations have worked to conserve and restore the Los Cerritos Wetlands.

In 2006, the Conservancy agreed to enter into a Joint Exercise of Powers Agreement (JPA) with the Los Angeles and San Gabriel Rivers and Mountains Conservancy (RMC) and the Cities of Seal Beach and Long Beach to create the Los Cerritos Wetlands Authority. The purpose of the LCWA is to provide for a comprehensive program of acquisition, protection, conservation, restoration, maintenance, operation and environmental enhancement of the Los Cerritos Wetlands area in a manner consistent with the goals of flood protection, habitat protection, restoration, and improved water supply, water quality, groundwater recharge and water conservation. The LCWA was created in March 2006 pursuant to the state's Joint Exercise of Powers Act (California Government Code §§6500 *et seq.*).

Since that time, the LCWA has acquired more than 170 acres of wetlands property. The first acquisition, known as the "Bryant" site (or Phase I property), consists of 66 acres and was

financed in April 2006 by a \$7 million Conservancy grant to the Trust for Public Land, \$3 million in additional funding from Signal Hill Petroleum, that acquired the mineral rights, and a \$4 million donation from the former landowner. In December 2010, the LCWA acquired the 100-acre “Hellman” lowlands site (or Phase II property), using \$5.1 million in funds from the Wildlife Conservation Board. The City of Long Beach also acquired 33 acres of adjacent property, known as the “Marketplace Marsh”, from LCW Partners in mid-2010 in exchange for a 13.4-acre former public service yard located elsewhere in the City of Long Beach. Both the City of Long Beach and the LCWA hope to eventually sell or transfer the Marketplace Marsh acreage from the City to the LCWA for restoration and management.

The LCWA also acquired fee title to a 5.11-acre parcel from Southern California Edison offered under an offer to dedicate fee title (OTD) to the Conservancy as part of the San Onofre Nuclear Generation project.

During the past 10 years, the Conservancy has worked with other project partners in an effort to acquire the remaining acreage in the Los Cerritos Wetlands complex. The LCWA and its member agencies are continuing this effort, with a focus on the remaining acreage owned by LCW Partners, as well as other adjacent parcels of smaller, privately-owned property.

Since its inception in 2006, the LCWA has acquired 166 contiguous acres of the Los Cerritos Wetlands Complex with funding support from the Conservancy (\$7 million), Wildlife Conservation Board (\$5.1 million), and private dedications and donations.

PROJECT FINANCING

Coastal Conservancy	\$500,000
Rivers and Mountains Conservancy	500,000
LCWA	15,000
Project Total	\$1,015,000

The expected source of Conservancy funds for this project is the fiscal year 2015/16 appropriation to the Conservancy from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, Water Code section 79700 *et seq.*). Funds appropriated to the Conservancy derive from Chapter 6 (commencing with section 79730) and may be used for “multi-benefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state” (section 79731). Section 79732 identifies specific purposes of Chapter 6 and includes: protect and restore aquatic, wetland, and migratory bird ecosystems, including fish and wildlife corridors; protect and restore coastal watersheds, including but not limited to bays, marine estuaries, and nearshore ecosystems; and assist in the recovery of endangered, threatened or migratory species by improving watershed health, instream flows, fish passage, and coastal or inland wetland restoration. The Plan, when implemented, achieves these

specific purposes by restoring wetland habitat in the Los Cerritos Wetlands, a wetland ecosystem degraded to the detriment of multiple species.

As required by Proposition 1, the proposed project provides multiple benefits. The proposed project will provide the Plan's environmental review that is necessary to enable implementation of the restoration of the Los Cerritos Wetlands; improvements to water quality; attenuation of flooding; enhancement of the Los Cerritos Wetlands' system's ability to adapt to climate change and sea level rise; and improvements to and an increase of public access.

The proposed project was selected through a competitive grant process under the Conservancy's Proposition 1 Grant Program Guidelines adopted in June 2015 ("Prop 1 Guidelines"). (See section 79706(a)). The proposed project meets each of the evaluation criteria in the Prop 1 Guidelines as described in further detail in this "Project Financing" section, the "Project Summary" section, above, and in the "Consistency with Conservancy's Project Selection Criteria & Guidelines" section, below, of this staff recommendation.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is consistent with Chapter 3 (section 31111 for funding plans) and Chapter 5.5 (section 31220 regarding integrated coastal and marine resources) of the Conservancy's enabling legislation, Division 21 of the Public Resources Code.

The proposed project is consistent with section 31111 of the Conservancy's enabling legislation, that authorizes the Conservancy to award grants to public agencies like the LCWA to fund technical and environmental studies.

Section 31220(a) of the Public Resources Code authorizes the Conservancy to award grants for restoration of coastal habitats and watersheds if the project meets one or more of the criteria specified in section 31220(b). Consistent with five of those criteria (§31220(b)(2),(3), (6), (7), and (8)), implementation of the Plan will provide a long-term strategy to restore fish and wildlife habitat within a coastal watershed, reduce threats to coastal and marine wildlife, restore coastal wetlands and watershed lands draining sensitive coastal areas, reduce the impacts of population and economic pressures on coastal resources, and provide for public access compatible with resource protection and restoration objectives.

Consistent with §31220(a), staff consulted with the State Water Resources Control Board in the development of the Plan. In particular, staff from the Los Angeles and Santa Ana Regional Water Quality Control Boards participated in the planning effort as part of the technical advisory committee for the Plan.

Consistent with §31220(c), the Plan conforms to local watershed management plans and the Regional Basin Plan of the Los Angeles Regional Water Quality Control Board (see "Consistency with Local Watershed Management Plan/State Water Quality Control Plan" section, below). Also consistent with subsection (c), the proposed project will include a monitoring and evaluation component in the technical studies undertaken through this authorization.

**CONSISTENCY WITH CONSERVANCY'S 2013 STRATEGIC PLAN
GOAL(S) & OBJECTIVE(S), AS REVISED JUNE 25, 2015:**

Consistent with **Goal 5, Objective A** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will complete environmental review of the Plan to lead to restoration of a major coastal wetlands habitat at Los Cerritos Wetlands including implementation of adaptation strategies to address predicted evolutions in habitat due to climate change.

Consistent with **Goal 7, Objective A** of the Strategic Plan, the proposed project includes environmental review of the Plan with an analysis of wetland ecosystem adaptation strategies to address predicted evolutions in habitat due to climate change.

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on October 2, 2014, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section, above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section, above.
3. **Promotion and implementation of state plans and policies:**
 - ***California@50 Million: The Environmental Goals and Policy Report (2013 Draft)***
Preserve and Steward the State's Lands and Natural Resources; Increase ecosystem services and biodiversity. Environmental analysis is necessary to approve implementation of the Los Cerritos Conceptual Restoration Plan that, when implemented, will accomplish this goal by restoring and enhancing a sensitive coastal ecosystem by improving ecological functions in a way that supports native species.
 - ***Safeguarding California: Reducing Climate Risk Plan (July 2014)***
Ocean and Coastal Ecosystems and Resources: Improve management practices for coastal and ocean ecosystems and resources, and increase capacity to withstand and recover from climate impacts. Environmental analysis is necessary to approve implementation of the Los Cerritos Conceptual Restoration Plan that, when implemented, will accomplish this goal by restoring a wetland system that is of sufficient size to allow for wetland migration and transgression.
 - ***California Water Action Plan***
Protect and restore important ecosystems (restore coastal watersheds and strategic coastal estuaries): Environmental analysis is necessary to approve implementation of the Los Cerritos Conceptual Restoration Plan that, when

implemented, will protect and restore the Los Cerritos wetlands, an important coastal ecosystem.

- ***Southern California Wetlands Recovery Project (WRP)***

Preserve and restore coastal wetland ecosystems. Environmental analysis is necessary to approve implementation of the Los Cerritos Conceptual Restoration Plan that was developed at the request of the WRP and that, when implemented, will preserve and restore the Los Cerritos Wetlands, a coastal wetland ecosystem.

- 4. Support of the public:** The proposed project is supported by Los Cerritos Wetlands Land Trust, Los Cerritos Wetlands Stewardship Inc., and the El Dorado and Sea and Sage chapters of Audubon.
- 5. Location:** The proposed project would be located within the coastal zone of the cities of Long Beach in Los Angeles County and Seal Beach in Orange County.
- 6. Need:** This technical and environmental planning effort depends on funding support from the Conservancy. Without Conservancy funding, the LCWA will not have the matching funds required by the RMC for a Prop 1 grant, and without those Conservancy and RMC funds, the LCWA does not have sufficient funds to undertake the proposed project.
- 7. Greater-than-local interest:** Protection and restoration of the Los Cerritos Wetlands have been a regional priority for decades in Southern California, where over 90 percent of historic tidal marshes have been lost to dredging, filling or development. The Los Cerritos Wetlands provide critical habitat for state- and federally-listed threatened and endangered species many of which migrate throughout coastal California and, once restored, will provide an important link to other coastal wetlands along the Pacific Flyway.
- 8. Sea level rise vulnerability:** Consistent with Executive Order S-13-08, for new projects located in areas vulnerable to future sea level rise, the Plan's environmental document will consider a range of sea level rise scenarios for the years 2050 and 2100 in order to assess project vulnerability and, to the extent feasible, reduce expected risks and increase resiliency to sea level rise.

Additional Criteria

- 10. Resolution of more than one issue:** The technical studies and environmental analysis will incorporate a multi-disciplinary approach to restoration implementation, as well as a comprehensive analysis of the three restoration alternatives in the Plan that address a variety of issues at Los Cerritos. Those issues include restoration of wetland processes and functions; management of potential soil contamination; flood control; adaptation measures to promote the long-term sustainability of the site in the face of urbanization and climate change; and creation of a practical and memorable public access and interpretive program.
- 11. Leverage:** See the "Project Financing" section, above.

- 14. Readiness:** The LCWA staff is ready to begin work immediately. RMC is expected to consider its funding match for the project at its January 23, 2017 meeting. Staff will include the outcome in its oral presentation to the Conservancy for this proposed authorization.
- 15. Realization of prior Conservancy goals:** The Conservancy has been involved in efforts to acquire and protect the resources of the Los Cerritos Wetlands for nearly two decades. Implementation of the Plan by the Conservancy and its partners in the LCWA will also realize a long-term regional goal of the Southern California Wetlands Recovery Project.
- 17. Cooperation:** The proposed project is led by the LCWA, a joint powers authority including the Conservancy, Los Angeles and San Gabriel Rivers and Mountains Conservancy, and the Cities of Long Beach and Seal Beach.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The proposed project is consistent with the Local Coastal Program of the City of Long Beach (1980), that, as part of its resource management plan for “waterlands”, has classified the Los Cerritos Wetlands as an environmentally sensitive area and that generally mandates the preservation and restoration of the site (see LCP, pages III - R63 through R81). In addition, the City of Long Beach’s LCP calls for the preparation of various studies regarding Los Cerritos, including biological field surveys, water quality measurements, analyses of ecological processes, and feasibility studies regarding potential enlargement, reconfiguration and restorations of the wetlands and buffers around them (at page III - R72). The proposed project of environmental review and technical studies on the Plan is consistent with the City of Long Beach’s LCP.

The City of Seal Beach does not have a certified Local Coastal Program. In the Land Use Element of its most recent General Plan (dated December 2003), however, the City of Seal Beach has adopted a series of policies regarding the protection of the Los Cerritos Wetlands. The policies include: (a) to maintain significant acreage for the restoration or creation of wetlands and retention of viable wetland habitat and biodiversity; (b) to restore the wetlands ecosystem so that it makes a significant contribution to the regional system along the Pacific Flyway; and (c) to preserve and enhance open space and create public access opportunities. The proposed project of environmental review and technical studies for the Plan is consistent with the policies of the City of Seal Beach Land Use Element of its General Plan, that the City of Seal Beach submitted to the California Coastal Commission for review and approval as the land use component of its draft Local Coastal Program. The proposed project will provide technical studies and environmental review that is necessary to enable implementation of the restoration of the habitats and biodiversity of the Los Cerritos Wetlands, a regionally significant wetlands system located along the Pacific Flyway.

**CONSISTENCY WITH LOCAL WATERSHED MANAGEMENT PLAN/
STATE WATER QUALITY CONTROL PLAN:**

The proposed project is consistent with the Los Angeles Regional Water Quality Control Board's *Basin Plan for the Coastal Watersheds of Los Angeles and Ventura Counties* (1994). The basin plan calls for the protection of existing wetland habitats and associated populations of wetlands fauna and flora in Los Angeles County, that includes the Los Cerritos Wetlands. The proposed project will provide technical studies and environmental review on the Plan that is necessary to enable implementation of the restoration of the Los Cerritos Wetlands.

COMPLIANCE WITH CEQA:

The proposed project to undertake environmental review and technical studies of the Los Cerritos Conceptual Restoration Plan is statutorily exempt from review under the California Environmental Quality Act pursuant to 14 California Code of Regulations, section 15262, because the proposed project involves studies for a possible future approval of the Plan that no public agency, including the Conservancy, yet has approved, adopted or funded. The project is also categorically exempt from CEQA under 14 California Code of Regulations section 15306, because the proposed project includes basic data collection and resource evaluation activities. After Conservancy approval, staff will file a Notice of Exemption for this project.